

In The Matter Of:
In Re Pearl River County Hospital

Steve Vaughan
Vol. 6
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EXHIBIT

8

1 still on the phone?

2 MR. FORTENBERRY: I'm here.

3 MR. KIRKLAND: All right. You're the
4 man.

5 EXAMINATION

6 BY MR. McHARD:

7 Q With regard to your deposition a
8 couple of weeks ago -- have you reviewed that?

9 A No.

10 Q No? Well, in any event, you testified
11 that when you were hired in the late spring,
12 early summer of 2012 to be the administrator of
13 the -- the Pearl River County Hospital in
14 Poplarville, you reviewed certain minutes of
15 the board to see what had gone on before you
16 got there, correct?

17 A I did that not immediately upon hire,
18 but I did after I was hired at some point, yes,
19 sir.

20 Q And as you know, there were questions
21 in the first five months of 2012 about the
22 Wellness-Kingsbridge project at the hospital.

23 A Of 2012?

24 Q Yes, sir.

25 A I didn't discover any -- I mean, I

1 wasn't made aware of any of those issues until
2 after I started. I started the last --
3 next-to-last day of July.

4 Q No, I understand that.

5 A Oh, in retrospect. After --

6 Q Right.

7 A Yeah, after I started work there.

8 Q And you -- and you know, as reflected
9 in the -- the minutes of May 24, 2012, which is
10 Exhibit 540, that the board had all of the
11 participants come in together with Attorney Joe
12 Stevens so that documents could be reviewed and
13 provided and questions answered of all the
14 major participants. Do you see that?

15 A Yes, I see this.

16 Q And you know that after, and as a
17 result of that meeting, the meeting of May 31st
18 of 2012, as shown in Exhibit 571, that Trustee
19 Jones accepted Wellness Environments'
20 representation that it was a single/sole-source
21 provider for the materials and the things set
22 out in the Kingsbridge master lease agreement
23 and the Kingsbridge contract discussed at that
24 meeting?

25 A I don't -- I don't recall that, but

1 dollar figure. There was a bonus -- there was
2 a -- there was a Stepping Stones bonus -- extra
3 payment in the '11 cost report that was taken
4 out of the amended, some kind of performance
5 bonus, extra charge thing.

6 There were some salary costs in the ER
7 were challenged in the allocation of salaries
8 in the ER for physicians, allocation of PTO,
9 vacation time in the -- for ER staffing, was a
10 big chunk in the '12 -- in '12 amendments. It
11 was -- had to be taken out.

12 When -- I can't recall all of them.
13 We made -- we filed an amendment based on the
14 forensic audit that was done in -- that was
15 done in '13 reviewing the '12 during a calendar
16 year. So it kind of overlapped in between
17 different fiscal years.

18 So, I mean, you asked for the top
19 four, and that was probably four or five. And
20 I can't -- I can't remember all the dollar
21 figures.

22 Q Well, none of those had anything to do
23 with Wade Walters or PAR, did they?

24 A Well, I guess the allocation of the
25 leased space, the leasing of the vans would

1 be -- was PAR leasing. The vans -- all of the
2 transportation cost of the vans for the IOP,
3 that was PAR Leasing, yes.

4 Q Anything else? Did Wade Walters or
5 PAR make any representations as to how that was
6 to be reported?

7 A I wasn't there whenever those were
8 leased.

9 Q So you don't know, do you?

10 A The cost -- I wasn't there when he
11 made those representations, no.

12 Q Well, you don't have any facts,
13 witnesses, or documents, or the hospital, as to
14 anything he said about that, do you?

15 A I wasn't there. I'd have to -- I'd
16 have to go back and look at minutes or
17 documents that were dropped off or provided, or
18 statements or e-mails and things.

19 Q Now, have you ever reviewed the
20 Wellness and Kingsbridge contracts that were
21 signed with regard to the Wellness project?

22 A I have reviewed some of that
23 paperwork. Yes, I have.

24 Q And you would agree that as the
25 May 31st minutes state, that based on the